

AN ORDINANCE **101693**

AMENDING THE CITY'S HEALTHCARE FSA PLAN TO PROVIDE FOR CONTRIBUTIONS FOR CIVILIAN EMPLOYEES AND NON-MEDICARE RETIREES ENROLLED IN THE CITIMED PPO AND AUTHORIZING THE USE OF HEALTHCARE FSA DEBIT CARDS FOR ALL PARTICIPANTS; AUTHORIZING DATAPATH CARD SERVICES, INC. TO PROVIDE THE DEBIT CARDS; ESTABLISHING A DEBIT CARD SETTLEMENT ACCOUNT WITH BENEFIT BANK; AUTHORIZING EXECUTION OF ALL RELATED DOCUMENTS IN ORDER TO ESTABLISH THESE ACCOUNTS AND COMMITMENTS; AND AMENDING THE CONTRACT WITH COMMUNITY FIRST HEALTH PLANS, INC. BY REVISING FEES FOR ADMINISTRATION OF ALL HEALTHCARE FSA REIMBURSEMENT CLAIMS WITH AN ESTIMATED ADDITIONAL COST FOR FY 2006 OF \$69,252.00.

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WHEREAS, the City Council has heretofore adopted the City's Healthcare Flexible Spending Account (FSA) Plan, whereby eligible and participating employees are able to contribute pre-tax dollars to a Healthcare FSA Account, to be used for reimbursement of qualified healthcare expenses; and

WHEREAS, the Healthcare FSA Accounts are presently administered under the City's third party administrator contract with Community First Health Plans, Inc. ("Community First"), by Alt Benefits Consultants, Inc. ("Alt"), a City-approved sub-contractor of Community First; and

WHEREAS, for FY 2006, in order to assist affected employees in the transition to higher deductibles in the CitiMed – PPO Plan benefits, the City Council has heretofore approved as part of the FY 2006 Budget a \$250.00 employer-funded pre-tax contribution to a Healthcare FSA Account for each participating civilian employee and non-Medicare retiree enrolled in the CitiMed – PPO Plan benefits; and

WHEREAS, in order to facilitate participating employees' reimbursement of qualified healthcare expenses from their Healthcare FSA Account, City staff has recommended the issuance of a Healthcare FSA Debit Card to each City employee with a Healthcare FSA Account, whether the contributions to such Account are employer-funded, employee funded, or both; and

WHEREAS, City staff has further recommended that (i) the Healthcare FSA Accounts continue to be administered by Alt under the City's contract with Community First; (ii) the Healthcare FSA Debit Cards to be used by participating employees be provided by Datapath Card Services,

Inc.; and (iii) a Debit Card Settlement Account be established with Benefit Bank, through which transactions involving the Healthcare FSA Debit Cards will be processed; and

WHEREAS, it is necessary to amend the City's Healthcare FSA Plan to provide for (i) the FY 2006 employer-funded contribution as described above, and (ii) utilization of Healthcare FSA Debit Cards by all Healthcare FSA participants in conjunction with exercise of benefits; and

WHEREAS, after due deliberations on and consideration of the matter, the City Council desires to amend the City's Healthcare FSA Plan in the manner described above, and to accept and approve City staff's recommendations as also described above; and

WHEREAS, the City's contract with Community First will be amended to include use of Healthcare FSA Debit Cards by all Healthcare FSA participants and will reflect a change in the pricing schedule for Healthcare FSA claims because of additional enrollees, which will result in increased fees for FY 2006 in the estimated amount of \$ 69,252.00; **NOW, THEREFORE**;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City's Healthcare FSA Plan is hereby amended to provide for (i) the FY 2006 employer-funded contribution for each participating civilian employee and non-Medicare retiree enrolled in the CitiMed PPO Plan benefits, and (ii) utilization of Healthcare FSA Debit Cards by all Healthcare FSA participants in conjunction with exercise of benefits.

SECTION 2. The continued administration of all City Healthcare FSA Accounts by Alt under the City's contract with Community First is hereby approved.

SECTION 3. The provision by Datapath Card Services, Inc., of a Healthcare FSA Debit Card to (i) each City employee and non-Medicare retiree participating in the CitiMed PPO, with a Healthcare FSA Account, whether employer funded, employee funded, or both; and (ii) each additional City employee and non-Medicare retiree with a Healthcare FSA Account, is hereby approved and authorized.

SECTION 4. The establishment of a Debit Card Settlement Account with Benefit Bank, through which transactions involving the Healthcare FSA Debit Cards will be processed, is hereby approved and authorized.

SECTION 5. The City Manager, the City Manager's designee, or the Director of Human Resources, are hereby authorized to execute any and all instruments and documents required by Datapath Card Services, Inc. and Benefit Bank in order to implement the use of the Healthcare FSA Debit Cards and establish the Debit Card Settlement Account, including but not limited to instruments and documents substantially in accordance with (i) *Debit Card Settlement Account Application*, a true and correct copy of which is attached hereto as Attachment I, (ii) *Card Parameter Setup*, a true and correct copy of which is attached hereto as Attachment II, and (iii) *Debit Card Settlement Account Agreement*, a true and correct copy of which is attached hereto as Attachment III.

SECTION 6. The *Third Party Administrator Services Contract* with Community First Health Plans, Inc., which was approved by Ordinance No. 99828, passed and approved September 30, 2004, is hereby amended to provide for the use of Healthcare FSA Debit Cards by all Healthcare FSA participants and to reflect a change in the pricing schedule for Healthcare FSA claims because of additional enrollees. This amendment will result in increased fees for FY 2006 in the estimated amount of \$ 69,252.00. The City Manager, the City Manager designee, or the Director of Human Resources is hereby authorized to execute the amendment to the Third Party Administrator Services Contract with terms substantially as set forth in Attachment IV, which is incorporated herein by reference for all purposes.

SECTION 7. City funds which will be transferred as necessary into the Debit Card Settlement Account have been appropriated in the FY 2006 Budget. Employee-funded contributions which will be transferred into the Debit Card Settlement Account as necessary will be deducted by payroll deductions each pay period.

SECTION 8. The amount of \$69,252.00 will be authorized to be paid from Fund 75-002000, Employee Benefits Program, in GL 5201040, entitled Fees to Professional Contractors, in Cost Center 1002010025, to Community First Health Plans, Inc., for revised fees for administration of all Healthcare FSA reimbursement claims for the period beginning January 1, 2006 and ending September 30, 2006. The remainder of the Contract's term shall be contingent upon a subsequent appropriation of funds.

SECTION 9. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers and Fund Numbers as necessary to carry out the purpose of this Ordinance.

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SECTION 10. This ordinance is effective immediately upon passage by eight (8) affirmative votes; otherwise, said effective date shall be ten (10) days from the date of passage hereof.

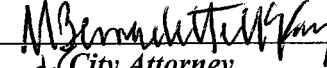
PASSED AND APPROVED this 17th day of November, 2005.



M A Y O R

PHIL HARDBERGER

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
City Attorney

Agenda Voting Results

Name: 9.

Date: 11/17/05

Time: 04:45:38 PM

Vote Type: Multiple selection

Description: An Ordinance amending the City's Healthcare FSA Plan to provide contributions for civilian employees and non-Medicare retirees enrolled in the Citimed PPO and authorizing the use of Healthcare FSA debit cards for those participants; authorizing Datapath Card Services, Inc. to provide the debit cards; establishing a Debit Card Settlement Account with Benefit Bank; authorizing execution of all related documents in order to establish these accounts and commitments; and amending the contract with Community First Health Plans, Inc. by revising fees for administration of all Healthcare FSA reimbursement claims, with an estimated additional cost for FY 2006 of \$69,252.00. [Presented by Sharon De La Garza; Frances A. Gonzalez, Assistant City Manager]

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
SHEILA D. MCNEIL	DISTRICT 2		x		
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
DELICIA HERRERA	DISTRICT 6	Not present			
ELENA K. GUAJARDO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
KEVIN A. WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR		x		